

BOSTON REDEVELOPMENT AUTHORITY

REPORT AND DECISION ON THE APPLICATION OF MT. PLEASANT ASSOCIATES-I FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER. ED.) CHAPTER 121A AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP ORGANIZED PURSUANT TO MASSACHUSETTS GENERAL LAWS, CHAPTER 109, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A.

A. The Hearing. A public hearing was held at 2:15 P.M. on July 15, 1982 in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority"), at the New City Hall, Room 921, Boston, Massachusetts 02201, by the Authority on an Application dated June 28, 1982 (hereinafter called the "Application"), filed by Lawrence R. Smith and St. Alphonsus Associates, general partners, on behalf of Mt. Pleasant Associates for authorization and approval of a redevelopment project under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, as amended (hereinafter called the "Project"), due notice of said hearing having been given previously by publication on July 5 and July 12, 1982, in the Boston Herald-American, a daily newspaper of general circulation published in Boston, and mailing postage prepaid in accordance with Rule 4 of the Rules and Regulations of the Authority for securing approval of Chapter 121A projects, and in accordance with the provisions of Section 13 of Chapter 652 of the Acts of 1960, as amended. Robert Farrell, James K. Flaherty and Clarence Jones, were present at the hearing.

B. The Project. The proposed development area is located on scattered sites located in the SAV-MOR Section of Roxbury, a neighborhood strategy area, in the following locations: 5-7, 9-11 and 21 Intervale Street, 62-64 and

66-68 Brunswick Street, 2, 6 and 31 Waverly Street, 3, 7, 11 and 15 Copeland Street, and 264 Warren Street. A full metes and bounds description can be found in Exhibit 1 to the Application.

The Project consists of the acquisition of the Project Area from the City of Boston through its Public Facilities Department and the renovation, operation and maintenance by the applicant of 98 apartment units of housing for persons of low income, all of whom shall be eligible for rental subsidies provided by the United States Department of Housing Urban Development, pursuant to Section 8 of the U.S. Housing Act of 1937, as amended. The Project will consist of 11 brick buildings three or four stories high on scattered sites. The 98 units will contain 51 one-bedroom, 40 two-bedroom and 4 three-bedroom, plus 3 efficiency apartments. All of the units will be fully rehabilitated and will include the replacement of all mechanical systems, each unit being individually metered for electricity usage, installation of all new cabinets, appliances and bathroom fixtures, energy conservation measures, carpeting, cleaning and restoration of exterior facades, community laundry, storage space and landscaping. Parking will be provided on three vacant lots adjacent to the project building. Attached to this Application as Exhibit 2 is a site plan for the Project Area. There is also incorporated into the Application as Exhibit 3 and D-1 floor plans and elevations for the buildings and outline specifications showing generally the character and quality of the construction to be used.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all documents, plans and exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the exhibits offered in evidence at the hearing, and arguments and statements made at the hearing.

D. Project Area. The Project as defined in the Application constitutes a "Project" within the meaning of Section 1 of Chapter 121A of the General Laws, providing, as it does, for the acquisition, rehabilitation and construction in a blighted, substandard and decadent area of decent, safe, and sanitary housing for persons of low or moderate income.

The Project area is blighted, decadent and substandard, as those terms are defined in Section 1 of Chapter 121A, because all the buildings are burned out shells, without stairs, windows or working utilities and plumbing. The aforementioned buildings are unfit for human habitation and have increasingly become a hazard and an eye sore. Moreover, it is likely that the failure to develop the property in the near future will result in lasting detriment to the surrounding community.

The buildings are boarded up because they are structurally unsafe and in need of extensive rehabilitation before they would be suitable for occupancy.

The vacant parcels are open and blighted with rubbish and other debris accumulating on the parcels.

All parcels are located within the areas encompassed by the Boston Plan, and are all among the "Targeted Investment Areas" under the Neighborhood Improvement Program, funded by the Community Development and City's capital budget. Furthermore, the said parcels are located in residential neighborhoods that are marginally stable with several existing buildings in the area characterized by poor structural conditions and low levels of maintenance and it is unlikely that conditions will improve unless certain properties are rehabilitated thereby helping to establish confidence in the neighborhood.

The site would not be developed without the real estate taxes being limited to a percentage of the Project's estimated gross annual income, evidenced by the requirement of the mortgage lender attached to the Application.

Percentage levels as a basis for taxation can only be lawfully agreed to by the City of Boston under General Laws, Chapter 121A and Chapter 6A. These conditions and other factors referred to in the Application and this Report and Decision warrant the carrying out of the Project in accordance with Chapter 121A.

For these reasons it is found that the Project area is a blighted, decadent and substandard area within the meaning of Chapter 121A as amended. It is unlikely that the conditions will be remedied by the ordinary operations of private enterprise.

The Project will provide substantial financial return to the City of Boston. The amounts to be paid in lieu of real estate taxes by the Applicants are set forth in the Application. There shall be paid to the City of Boston a percentage payment in lieu of real estate taxes, in each of the forty (40) calendar years after approval of the Project.

E. Cost of the Project. In the opinion of the Authority, the cost of the Project has been realistically estimated in the Application and the Project is practicable.

The estimated minimum cost of the Project will be approximately Five Million One Hundred Thousand (\$5,100,000) Dollars. The applicant is securing a firm commitment for F.H.A. mortgage insurance under the 221(d) Program. Construction and permanent financing of the total project cost will be provided by Cincinnati Mortgage Corporation utilizing 11(b) Tax Exempt financing using bonds issued by the Boston Housing Authority. The term of the permanent mortgage will be forty (40) years and the construction period will be fourteen (14) months. All of the units in the Project will receive rental assistance from H.U.D. under Section 8 of the United States Housing Act of 1937, as amended. It is also anticipated that the general partners of the

121A Entity will contribute development services and capital in the amount of \$510,000. Equity contributions will also be provided by the sale of limited partnership interests in the applicant.

The following are all the persons, natural or corporate, who, prior to the completion of the Project, have or will have, directly or indirectly, any ownership interest in the Project. The Applicant, its General and Limited Partners as shown in the Application, will be the only persons with a direct or indirect beneficial interest in the project prior to completion.

F. Consistency with Master Plan. The Project does not conflict with the Master Plan for the City of Boston as the Project Area comes within a classification in the Master Plan which permits buildings and uses of the kind proposed by the Applicants.

G. Effect of the Project. The Project will not be in any way detrimental to the best interests of the public or the City of Boston or to the public safety and convenience and is not inconsistent with the most suitable development of the Projected Area neighborhood or of the City. The Project will, in fact, forward the best interests of the City and will constitute a public use and benefit. The Plans of the structure to be rehabilitated within the Project Area have been reviewed by the Design Review Staff of the Authority. The Authority finds that this Project will enhance the general appearance of the Area and furnish attractive and necessary landscaping and much needed low or moderate income housing in the Roxbury area. This rehabilitation will also serve to stimulate other rehabilitation and construction in the adjacent neighborhoods and provide much needed off-street parking. The Project will have a positive economic impact on the neighborhood surrounding the Project Area and on the City of Boston. During construction of the Project, the Project general contractor will be required, to the best of its ability, to grant preference in hiring to Boston residents.

H. Environmental Considerations. Pursuant to the provisions of regulations implementing the Massachusetts Environmental Policy Act, 301 CMR 10.32(3)(L), the project has been categorically excluded from the billing of any environmental report.

In order to avoid or minimize any damage to the environment, the Authority hereby requires that the Applicant comply with the City of Boston Air Pollution Control Commission's Regulations for the Control of Noise and Regulations for the Control of Atmospheric Pollution during all phases of construction activity.

I. Minimum Standards. The minimum standards for financing, construction, maintenance, and improvement of the Project as set forth in Exhibit 15 filed with and attached to the Application, are hereby adopted and imposed as Rules and Regulations (in addition to those hereinafter adopted and imposed) applicable to this Project for the same period as the Project is subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Actions of 1960, as amended.

In addition to the minimum standards set forth in Exhibit 15, the Authority hereby requires that the Applicants, prior to obtaining a building permit, (1) enter into a Regulatory Agreement with the Authority pursuant to the requirements of General Laws, Chapter 121A, Section 18C and containing such other terms and conditions as the Authority may in its discretion deem necessary and appropriate; (2) submit to the Authority for its review and approval all plans and specifications for the Project as the Authority may require and accept such changes and modifications thereto as the Authority may deem necessary or appropriate, and (3) adhere to such design review controls and requirements as the Authority may in its discretion impose.

As a condition of approval of this Application, the Applicant shall complete all procedures necessary to obtain a firm commitment for F.H.A.

mortgage insurance for the Project, and shall present evidence to the Authority for its approval that such firm commitment and all other necessary financial arrangements are in place.

The carrying out of the Project will not require a permit for the erection, maintenance, and use of a garage within 500 feet of one or more buildings occupied in whole or in part as a public or private school having more than 50 pupils, or as a public or private hospital having more than 25 beds, or as a church.

The Project does not involve the construction of units which constitute a single building under the State Building Code and zoning laws, General Laws, Chapter 138.

J. Zoning Code Deviations. Exhibit 10 to the Application lists the Zoning Code deviations requested for the reasons set forth in the Application and the evidence presented at the hearing. The Authority finds that the deviations attached hereto and incorporated by reference as Exhibit "A" are necessary for the carrying out of the total project and are therefore granted without substantially derogating from the intent and purposes of the applicable laws, codes, ordinances and regulations respectively.

K. Duration of Period of Tax Exemption. The Applicant seeks an increase in the basic fifteen (15) year statutory term to forty (40) years by the granting of a twenty-five (25) year extension for the project's period of Tax Exemption pursuant to applicable provisions of Chapter 121A because the project consists of housing financed by federal programs to assist the rehabilitation of low and moderate income housing. Such extension is hereby granted.

L. Decision. For all the reasons set forth in the foregoing report, the Authority hereby approves the undertakings by the Applicant of the Project pursuant to Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, subject to the provisions as set forth above.

ZONING DEVIATIONS

5,9,11,15 Copeland Street; 2,6 Waverly Street
(District H-1 and L-1)

- Purpose: Change occupancy from 44 to 61 dwelling units.
- Sec. 8-7(8) Uses: Conversion of dwelling structure for more families forbidden if less than $\frac{1}{2}$ of the lot size and open space requirements are met.
- Sec. 14-2 Lot Size: Required 65,000 sq. ft.
Proposed 21,315 sq. ft.
- Sec. 15-1 Floor Area Ratio: Maximum = 1.0
Proposed = 2.0
- Sec. 17-1 Usable open space: Required: 24,400 sq. ft.
Proposed: 5,784 sq. ft.

31 Waverly Street
(District B-1)

- Purpose: To provide 20 ancillary parking spaces for above described dwelling units
- Sec. 8-7(71) Use: Ancillary parking is a conditional use.
- Sec. 23-8 Location of ancillary parking: Location of ancillary parking requires Board of Appeal approval; parking facility is more than 400 feet from some of the dwellings to which it is ancillary.

7,9,11 Intervale Street
(District H-1)

- Purpose: Convert structure from 12 to 23 dwelling units. Conversion for more dwelling units is forbidden if less than $\frac{1}{2}$ of the requirements for lot size and open space are met.
- Sec. 14-2 Lot size per additional dwelling unit: Required: 1,000 sq. ft. for total lot size of 27,000 sq. ft.
Provided: 175 sq. ft. (total lot size

Sec. 17-1 Usable open space:

Required: 400 s.q. ft. per dwelling unit
or 9,200 sq. ft.

Provided: 110 sq. ft. per dwelling unit or
2,531 sq. ft.

Sec. 23-1 off street parking:

Required: 10 parking spaces

Provided: 7 parking spaces

21 Intervale Street

Sec. 8-7 (71) Use: Ancillary parking is a conditional use.

Sec. 23-8 Location of ancillary parking:

Location of ancillary parking requires
Board of Appeal approval.

62,64 Brunswick street

Purpose: Convert structure from 6 to 14 dwelling units.

Sec.8-7(8) Use: Conversion of dwelling structure for more
families is forbidden if less than $\frac{1}{2}$ of the
requirements for lot size and open space are
met.

Sec. 14-2 Lot size per additional dwelling unit:

Required: 1,000 sq. ft. per additional dwelling
for lot size of 18,000 s.f.

Provided: 732 s.f. for a total lot size of 11,520

Sec. 17-1 Usable open space:

5 Required: 5,600 sq. ft.

Provided: 2,100 sq. ft.



U.S. Department of Housing and Urban Development
Boston Area Office, Region I
Bulfinch Building, 15 New Chardon Street
Boston, Massachusetts 02114

AUG 2 1982

JUL 29 1982

Cincinnati Mortgage Corporation
1060 Formica Building
120 East Fourth Street
Cincinnati, Ohio 45202

Gentlepeople:

SUBJECT: Project No. 023-35221, Mt. Pleasant Apartments, Roxbury, Mass.

Enclosed please find original and one copy of FHA Form 2432, Commitment for Insurance of Advances, in the amount of \$5,102,500 under Section 221(d)(4) of the Housing Act; FHA Forms 2264, Project Income Analysis, and FHA Forms 2264-A, Supplement to Project Income Analysis. One copy of each of these forms is for the use of the sponsor.

Your attention and that of the sponsor is called to the various conditions of this commitment and, in particular, to Item 8 which requires that any change in sponsorship, upon which this commitment is predicated, must be requested in writing and approved by this office; also, to Item 10 which indicates that the commitment will expire on October 1, 1982, and to additional conditions noted on Page 4 of this commitment.

A firm commitment conference should be scheduled for this project at your earliest convenience. Please contact Ms. Ellen Kantrowitz, Telephone Number 223-4164, to arrange for this conference.

Sincerely,

Ellen Kantrowitz

Stephen Wasko
Deputy Director for Development
Housing Division, 1.1HD

Enclosures



JUL 29 1982

Cincinnati Mortgage Corporation

120 East Fourth Street, 1060 Formica Bldg. / Cincinnati, Ohio 45202 / 513-621-7500

William S. Ackerman

July 28, 1982

EXPRESS MAIL

Mr. Lawrence R. Smith
c/o United Community Development, Inc.
84 State Street
Boston, MA 02109

RE: MT. PLEASANT APARTMENTS
ROXBURY, MASSACHUSETTS
FHA PROJECT NO.: 023-35221

Dear Mr. Smith:

Cincinnati Mortgage Corporation agrees to cause the financing of the captioned project utilizing tax exempt bonds under Section 11(b) of the Housing Act of 1937, as amended.

FINANCING TERMS:

The principal amount of the Notes to be issued, to provide the Interim Financing for the project, will be \$5,102,500.00. The interest rate will be 11.50% and interest on the Notes will be exempt from all federal income taxation.

The principal amount of the Bonds, to be issued to provide Permanent Financing for the project, will be equal to the amount of the Notes plus the Debt Service Reserve Fund. The average interest rate on the Bonds will be 11.75% and the interest on the Bonds will be exempt from all federal income taxation.

FEES TO CINCINNATI MORTGAGE CORPORATION:

It is understood that, subject to the final terms of the Note and Bond Purchase Agreement ("Purchase Agreement"), you will pay to Cincinnati Mortgage Corporation, as compensation for services rendered in arranging the financing, a fee, in cash or certified or official bank check equal to 1.5% of the amount of the Notes, which payment shall be made on or before the closing of the financing.





U.S. Department of Housing and Urban Development
Boston Area Office, Region I
Bulfinch Building, 15 New Chardon Street
Boston, Massachusetts 02114

AUG 2 1982

JUL 29 1982

Cincinnati Mortgage Corporation
1060 Formica Building
120 East Fourth Street
Cincinnati, Ohio 45202

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SUBJECT: Project No. 023-35221, Mt. Pleasant Apartments, Roxbury, Mass.

Enclosed please find original and one copy of FHA Form 2432, Commitment for Insurance of Advances, in the amount of \$5,102,500 under Section 221(d)(4) of the Housing Act; FHA Forms 2264, Project Income Analysis, and FHA Forms 2264-A, Supplement to Project Income Analysis. One copy of each of these forms is for the use of the sponsor.

Your attention and that of the sponsor is called to the various conditions of this commitment and, in particular, to Item 8 which requires that any change in sponsorship, upon which this commitment is predicated, must be requested in writing and approved by this office; also, to Item 10 which indicates that the commitment will expire on October 1, 1982, and to additional conditions noted on Page 4 of this commitment.

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Sincerely,

Ellen Kantrowitz

f
Stephen Wasko
Deputy Director for Development
Housing Division, 1.LHD

Enclosures

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING - FEDERAL HOUSING COMMISSIONER

COMMITMENT FOR INSURANCE OF ADVANCES
(SECTIONS 207, 220, 221, 231, 232, 242 and 810; and TITLE XI)

To: Cincinnati Mortgage Corporation
(Mortgagee)
1060 Formica Bldg.
120 East Fourth Street
(Street)
Cincinnati, Ohio 45202
(City and State)

Project No. 023-35221
Lawrence R. Smith, Richard P. Brainerd,
and Winthrop Financial Company, Inc.
(Name of sponsor(s))
84 State Street
(Address)
Boston, Mass. 02109
Mt. Pleasant Associates
(Name of proposed Mortgagor)

The Federal Housing Commissioner, acting herein on behalf of the Secretary of Housing and Urban Development, will endorse for insurance under the provisions of Section 221d(4) of the National Housing Act, and the Regulations thereunder now in effect, a mortgage note in the amount of \$ 5,102,500, to be secured by a mortgage, on the property located at Various Addresses, Boston, Mass. and consisting of approximately 57,766 square feet. The insurance endorsement will be subject to compliance with the requirements of the Regulations, and the terms and conditions set forth below. The mortgage amount, however, is subject to reduction prior to final insurance endorsement of the mortgage note as provided in the Regulations.

1. The mortgage note shall be payable in monthly installments in accordance with the payment provision checked and completed below:

(a) ☐ Combination Declining Annuity Plan

The loan shall bear interest at the rate of _____ percent per annum payable on the first day of each month on the outstanding balance of principal. The first payment to principal (commencement of amortization) shall be due on the first day of the _____ month following the month in which the mortgage is dated. The mortgage shall provide that the first payment to principal shall be in the amount of \$ _____. Thereafter, on the first day of each succeeding month until the _____ installment has been paid, an installment of principal shall be paid in an amount equal to _____ percent of the principal payment which became due on the first day of the next preceding month. The _____ payment and, until the mortgage is paid in full, each succeeding payment shall be in an amount equal to _____ percent of the last preceding payment. The maturity and final payment date shall be _____ years and _____ months following the due date of the first payment to principal (commencement of amortization).

(b) ☐ Accelerating Curtail Declining Annuity Plan

The loan shall bear interest at the rate of _____ percent per annum payable on the first day of each month on the outstanding balance of principal. The first payment to principal (commencement of amortization) shall be due on the first day of the _____ month following the month in which the mortgage is dated. The mortgage shall provide that the first payment to principal shall be in the amount of \$ _____. Thereafter, on the first day of each succeeding month until the entire indebtedness has been paid, an installment of principal shall be paid in an amount equal to _____ percent of the principal payment which became due on the first day of the preceding month. The maturity and final payment date shall be _____ years and _____ months following the due date of the first payment to principal (commencement of amortization).

(c) ☐ Level Annuity Monthly Payment Plan

The loan shall bear interest at the rate of _____ percent per annum payable on the first day of each month on the outstanding balance of principal. The first payment to principal (commencement of amortization) shall be due on the first day of the _____ month following the month in which the mortgage is dated. The loan shall be payable on a level annuity basis by _____ monthly payments of principal and interest in the amount of \$ _____. The maturity and final payment date shall be _____ years and _____ months following the due date of the first payment to principal (commencement of amortization).

(d) ☒ Level Annuity Monthly Payment Plan (Sec. 221(d)(3) Below Market Interest Rate Mortgage)

The loan shall bear interest at the rate of 11.5 percent per annum payable on the first day of each month on the outstanding balance of principal up to and including the date of final endorsement of the secured note. Thereafter, the loan shall bear interest at the rate of 12.0 percent per annum payable on the first day of each month on the outstanding balance of principal.

(4) The Mortgagor shall establish to the Commissioner's satisfaction that, in addition to the proceeds of the insured mortgage, the Mortgagor has funds in the amount of \$ N/A , or has made financial arrangements acceptable to the Commissioner in order to meet the expenses of the project from the date of initial occupancy until _____ months after the date of final endorsement as the Commissioner estimates is necessary to establish a profitable operation. The funds shall be deposited with the Mortgagee or other depository acceptable to the Commissioner on or before the date of initial endorsement, and such funds shall be held in a special account under an agreement approved by the Commissioner.

(k) The Escrow Agreement providing for the deposit, if any, required by Item (j)(3) of this paragraph and covering off-site utilities and streets.

(l) The Mortgagor's Certificate certifying to the priority of the mortgage and to other matters set forth therein.

(m) The instrument under which the Mortgagor entity is created, unless the Mortgagor is an individual.

4. The Mortgagor must possess the powers necessary for operating the project and meeting all the requirements of the Secretary of Housing and Urban Development for insurance of the mortgage. At the initial insurance endorsement of the mortgage note, there shall be filed with the Commissioner copies of all instruments or agreements necessary under the laws of the applicable jurisdiction to authorize the execution of the mortgage and the other closing documents, and a Regulatory Agreement or other instrument to permit the Commissioner's regulation of the Mortgagor as to rents, charges, and methods of operation. Such instrument shall provide, among other things, for the establishment of a Reserve Fund for Replacements under control of the Mortgagee by payment of \$ 20,410 per annum, to be accumulated monthly commencing on the date of the first payment to principal as established in the insured mortgage, unless a later date is agreed to by the Commissioner.

5. (a) Approval of advances in accordance with the Building Loan Agreement must be obtained on a form prescribed by the Commissioner prior to the date of each advance to be insured. A Contractor's Prevailing Wage Certificate will be filed with the request for approval of each advance which includes a payment for construction costs.

(b) During the course of construction, the Commissioner and his representatives shall at all times have access to the property and the right to inspect the progress of construction, and an inspection fee in the amount of \$ 24,134 shall be paid upon the initial insurance endorsement of the mortgage note. The inspection of construction by a representative of the Commissioner shall be only for the benefit and protection of the Secretary of Housing and Urban Development.

(c) Upon completion of the project in accordance with the Drawings and Specifications the mortgage note will be finally endorsed for insurance to the extent of the advances of mortgage proceeds approved by the Commissioner, subject to reduction as provided in the Regulations.

6. Any change in the Drawings and Specifications or in the conditions upon which this commitment is based, which may occur after the date hereof, shall be explained in writing, or in a supplementary application if required by the Commissioner, and must be approved by the Commissioner prior to initial endorsement. Any such change occurring subsequent to initial endorsement must be brought to the attention of the Commissioner immediately upon occurrence, and, except for such changes in the Drawings and Specifications which may be authorized by the Architect, must be approved by the Commissioner prior to the date on which the Commissioner is requested to approve any further advance for insurance. Changes in the Drawings and Specifications which result in any net construction cost increase, or will change the design concept, or will result in a net cumulative construction cost decrease of more than 2% of the contract amount may be effected only with the prior written approval of the Lender and the Commissioner. The Commissioner's approval of any change described above may be subject to such conditions and qualifications as the Commissioner in his discretion may prescribe.

7. If under the laws of the jurisdiction in which the project is located, the personal property of the Mortgagor, which is used in the operation of the project, is not covered by and subject to the real estate mortgage, the Mortgagee shall require and receive from the Mortgagor, prior to the final insurance endorsement of the mortgage note, a Security Agreement and a Financing Statement or such other security instrument as may be necessary to effect a first lien on such personal property in favor of the Mortgagee.

8. Any change in the sponsorship upon which this commitment is predicated must be requested in writing by the Mortgagee on behalf of any proposed substitute sponsor, and such request must be approved in writing by the Commissioner. Any sponsor or principal (including the principals of any parent entity of such sponsor or principal), who is now or who may later become involved in this project by way of financial interest, employment or otherwise, and who has not filed a certificate with the Commissioner fully disclosing his previous participation in FHA mortgage insurance programs, shall file such certificate on the form prescribed by the Commissioner and must be approved by the Commissioner.

9. All certificates, documents and agreements called for by this commitment shall be on forms approved or prescribed by the Commissioner and shall be completed, executed and filed in the number of copies and in such manner as he shall prescribe.

10. This commitment shall terminate October 1, 1982 unless renewed or extended by the Commissioner. Prior to any renewal or extension of this commitment, the Commissioner may, at his option, reexamine the commitment to determine whether it shall be extended in the same amount, or shall be amended to include a lesser amount.

Project No. 023-35221
Mt. Pleasant Apts.
Boston, Mass.

Conditions of the Commitment - Continued

13. Sponsor shall submit affirmative marketing plan to this office for approval prior to final proposal approval.
14. This project is subject to HUD environmental clearance and is expected to conform to all HUD policies and guidelines.
15. This Commitment is subject to the requirements of Executive Orders 11063 and 11247 relating to equal opportunity in housing.
16. Mortgagor must certify prior to initial closing that obligation under Regulatory Agreement, and/or Section 8, Housing Assistance Payments Contract, will be met, including obligation to obtain from each applicant for admission as a tenant, Form 52659 (Section 8), to assign living units to families consistent with individual family needs and to certify that maximum income limits established for Boston, Mass. as cited below, have not been exceeded.

80% Median Income Limits (Lower Income)

<u>1 Person</u>	<u>2 Persons</u>	<u>3 Persons</u>	<u>4 Persons</u>	<u>5 Persons</u>	<u>6 Persons</u>
\$15,250	\$17,400	\$19,550	\$21,750	\$23,100	\$24,450

50% Median Income Limits (Very Low Income)

<u>1 Person</u>	<u>2 Persons</u>	<u>3 Persons</u>	<u>4 Persons</u>	<u>5 Persons</u>	<u>6 Persons</u>
\$10,150	\$11,600	\$13,050	\$14,500	\$15,650	\$16,800

17. Prior to initial endorsement, evidence of a 100% Performance Bond and a 100% Payment Bond, each in the amount of \$4,467,461 must be submitted to the closing attorney assigned to the project.
18. Thirty days prior to initial endorsement, a copy of the proposed management contract, together with a resume of the background and experience of the Management Agent, shall be submitted for evaluation and approval by HUD. Also, a management plan must be furnished and Form 2530 must be submitted on the Management Agent.
19. If, at initial endorsement of the mortgage, there is in fact no identity of interest between the Mortgagor and the General Contractor, this case will be reprocessed to exclude the Builder's and Sponsor's Profit and Risk Allowance (BSPRA) and to substitute a typical Builder's Profit and Sponsor's Profit and Risk Allowance (SPRA).
20. At least thirty (30) days prior to initial endorsement, an "Estimated Progress Schedule for Work" must be submitted to HUD by the general contractor for review and approval by HUD.
21. Your attention is directed to the following points of information:
 - a. The construction period is 14 months.
 - b. Liquidated damages will be in the minimum amount of \$2,347.15 for each day of delay until the date of substantial completion.
 - c. The Management Fee established by the Management Contract shall not exceed \$31,175 (4% of Effective Gross Income) as established on processing form 2264 dated June 9, 1982.

Project No. 023-35221
Mt. Pleasant Apts.
Boston, Mass.

Conditions of the Commitment - Continued

22. Current Previous Participation Certificate utilizing Form HUD 2530 dated January, 1981 must be submitted for approval by HUD sixty (60) days prior to Initial Endorsement. Specifically, this office requires updated 2530's for the Sponsor/Developer, General Contractor and Managing Agent plus any other principals and their affiliates who propose participating in the captioned project.
23. Prior to initial endorsement of the project, the contractor must comply with the Equal Employment Opportunity Affirmative Action Requirement of the enclosed Bid Conditions.
24. This Commitment is subject to the requirements of Executive Order 11246, Equal Employment Opportunity. See attached Notice BAO 78-17 with attachments A, B, and C for instructions.
25. In the event of any change in the sponsorship of this project or general partners of the partnership, this office must be notified immediately.
26. Fifteen (15) days prior to initial endorsement, the mortgagee shall submit evidence that it has a commitment for the permanent loan or some other firm written assurance demonstrating that permanent financing will be available at the rate shown in the firm commitment application.

Any form of assurance must address, but is not limited to, the source of the financing, the term, interest rate, extension provisions, dates for delivery of the permanent mortgage, and any conditions which are, will be part of, or will impact on, the permanent financing arrangements.
27. All outstanding Architectural and Engineering requirements are to be included, and all coordination of the drawings and specifications is to be completed prior to the submission of the closing exhibits.
28. The Section 8 Financial Adjustment Change requires that an escrow in the amount of \$214,200 be established to assure that funds are available to reduce the mortgage at final endorsement.
29. A detailed schedule of Cost of Issuance must be reviewed and approved by this office at least fifteen (15) days prior to initial endorsement.
30. Firm Commitment processing conditioned upon sponsor obtaining tax abatement in the form of a Chapter 121A Corporation in which real estate taxes do not exceed 12% of project effective gross income. A copy of the executed 121A will be forwarded to this office for review and approval prior to initial endorsement.
31. This Firm Commitment is conditioned on the subsequent availability of additional Section 8 funds if the administrative change to combine project numbers MA06-A017-001 and MA06-A017-003 is not approved. It is further conditioned upon compliance with any policies governing the use of those funds such as Section 203(A) limitation on the use of Section 8 for projects with total housing expenses exceeding 110% of fair market rents.

Project No. 023-35221
Mt. Pleasant Apts.
Boston, Mass.

Conditions of the Commitment - Continued

32. The Financing Agency proposing to issue the tax-exempt obligations shall submit twenty-one (21) days before initial endorsement, the following documents as required by 24 CFR Par 811.107, Subpart A:
 - (1) Financing Documents
 - (2) Certifications
 - (3) Counsel's Opinion
 - (4) Financial Data
 - (5) Counsel's Certification re: official statement or prospectus or other disclosure statement prepared in connection with the financing.
- 33.. The PHA/Instrumentality/Agency must have HUD approval.
34. The Financing Agency must submit certifications that:
 - (1) the yield on the obligations will not exceed the ceiling set by HUD.
 - (2) the amount of debt service payable by the owner will not exceed the amount required for the debt service payments on the total obligations, excluding the debt service reserve, plus the servicing fee.
 - (3) the terms of the financing and the use of the obligations will be in accordance with Subpart A, 24 CFR Part 811.
35. The Contract Rents were approved pursuant to the Memorandum entitled 1981 Financing Adjustment. They may be increased or decreased prior to execution of the Agreement to Enter Housing Assistance Payments Contract, in an amount corresponding to the actual terms of permanent financing, up to a debt service rate corresponding to an interest rate of 12 percent. Any increase is subject to availability of contract and budget authority.
36. The project has been processed in accordance with the Memorandum entitled 1981 Financing Adjustment. The interest rate stated in the Contract Rents used in issuing this commitment will be amended accordingly, prior to initial endorsement. This commitment is subject to the execution of an Agreement to Enter Housing Assistance Payment Contract at Contract Rents determined under the procedures of that Memorandum. The base level interest rate is 8.843987.
37. When the project has been completed and cost certified, the final contract rents and the disposition of the Financial Adjustment excrow will be determined.
38. Subject to Housing Management review and approval that the Management and administrative past performance and/or capability of the parent entity PHA and any Agency or Instrumentality PHA is satisfactory enough to carry out the responsibilities of the project and the proposed financing, prior to initial endorsement.
39. Subject to Area Counsel determination tha the terms and conditions of the proposed financing meet the applicable Section 8 regulations, the Part 811, subpart A regulation; and that there is no conflict with the Contract of Mortgage Insurance and FHA documents, prior to initial endorsement.

Project No. 023-35221
Mt. Pleasant Apts.
Boston, Mass.

Schedule II

Closing Requirements

In order to avoid any unexpected problems and accomplish prompt initial endorsement of this project, the following documents must be submitted to Ellen Kantrowitz, Multifamily Housing Representative, no later than 15 days prior to the proposed closing date:

1. Sponsor's confirmation of financial requirements and credit information.
2. All items listed in special conditions of this Commitment.
3. Surveyor's Report, Form 2457.
4. Certified legal survey and description of the property.
5. 6 sets of final drawings and specifications.
6. Rent Schedule, Form 92458.
7. Contractor's Certification Concerning Labor Standards and Prevailing Wage Requirements, Form 2482.
8. Building Permit.

The legal documents referred to in Condition 3 of the commitment must also be submitted to the HUD closing attorney at least 15 days prior to the proposed closing date. In addition, Form 2403, Request for Initial Advance, must be submitted to the HUD Mortgage Credit Branch no later than 5 days prior to the proposed closing.

Please note that a closing may not be scheduled until all exhibits have been received and found acceptable by this office.

EXHIBIT A

Language to be included in Note.

The language to be included in the Note should be in substantially the following form.

For Value Received, the undersigned _____,
a _____, promises to pay to
_____ or order, at its
principal place of business in the city of _____,
State of _____, or at such place as may be
designated in writing by the holder of this note, the principal
sum of _____ Dollars (\$ _____), with
interest at the rate of _____ per centum (_____) per annum
on the unpaid balance up to and including the cut-off date
established or selected for cost certification purposes, and _____
per centum (_____) beginning with the date following cost
certification cut-off up to and including the date of final
endorsement (interim rate) or the scheduled date for commencement
of amortization, whichever comes first. Thereafter, interest
shall be payable at the rate of _____ per centum (_____)
per annum (permanent loan rate) on the unpaid balance until
paid. In the event that the Secretary of Housing and Urban
Development becomes the holder of this note before the interest
is reduced to the said permanent loan rate, the Secretary shall
have the option of reducing the interest rate to a rate no lower
than the said permanent loan rate.

The said principal and interest shall be payable in monthly
installments as follows:

Interest alone payable on the first day of _____, 19____,
and on the first day of each month thereafter up to and including
_____, 19____. Thereafter, commencing on the first day of
_____, 19____ monthly installments of interest and principal
shall be paid in the sum of _____ Dollars (\$ _____)
each, such payments to continue monthly thereafter on the first
day of each month until the entire indebtedness has been paid.
In any event, the balance of principal (if any) remaining unpaid,
plus accrued interest shall be due and payable on _____.
The installments of interest and principal shall be applied first
to interest at the rate of _____ per centum (_____) per
annum upon the principal sum or so much thereof as shall from
time to time remain unpaid, and the balance thereof shall be
applied on account of principal.

In the event that final endorsement has not taken place at least
one month prior to the aforesaid date for commencement of
installments of interest and principal, then the undersigned shall
be required to pay the aforesaid installments of principal and
interest, plus an additional amount representing the difference
between interest at the permanent rate of _____ per centum (_____)
and the interim rate of _____ per centum (_____) for each month
or part of a month that precedes final endorsement. Notwith-
standing anything herein to the contrary, such payment shall be
applied first to interest at the interim interest rate of _____
per centum (_____) and then to principal. After final endorsement
the additional interest shall no longer be payable.

MEMORANDUM

August 5, 1982 4221

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: CHAPTER 121A APPLICATION OF MT. PLEASANT ASSOCIATES - I

On July 15, 1982, the Authority conducted a public hearing to consider the above-captioned 121A Application.

The Project consists of the rehabilitation, operation and maintenance by the Applicant of 98 apartment units of housing for low or moderate income persons on various sites on Intervale, Copeland, Waverly and Brunswick Streets in the Roxbury section of Boston.

Authority staff has examined the application and found that it contained sufficient evidence in support of the project to make those findings and determinations necessary to proceed with the approval of the Project.

An appropriate Vote follows:

VOTED: That the document presented at this meeting entitled "Report and Decision on the Application of Mt. Pleasant Associates-I for the Authorization and Approval of a Project under Massachusetts General Laws (Ter. Ed.) Chapter 121A, as Amended, and Chapter 652 of the Acts of 1960, to be undertaken and carried out by a limited partnership organized pursuant to M.G.L. c. 109 and approval to act as an Urban Redevelopment Limited Partnership under said Chapter 121A" be and hereby is approved and adopted.